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June 20, 2006

FILED ELECTRONICALLY

Ms. Marlene Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Sacred Wind Communications, Inc. and Qwest Corporation, WC Docket No. 06-82, CC Docket No. 96-45, WC Docket No. 03-109*

Dear Ms. Dortch:

In response to a request from Commission Staff, Sacred Wind Communications, Inc. ("Sacred Wind"), by its attorneys, hereby submits the following additional data and associated map in support of its pending Joint Petition for Expedited Waiver ("Joint Petition"), which was filed jointly with Qwest Corporation ("Qwest") on March 30, 2006 in the above referenced dockets.

In its Joint Petition, Sacred Wind requested, among other things, a waiver of the Commission's stay on the provision of Enhanced Lifeline and Link Up support to eligible residents of the near-Reservation lands within Sacred Wind's service territory. *See* Joint Petition at 27-32. As reflected in the attached map, Sacred Wind's service area includes portions of the Fort Defiance, Shiprock and Eastern Navajo Agencies that are on the Navajo Reservation, for which no waiver is required. In addition, its territory also includes near-Reservation lands within the Eastern Navajo Agency and immediately adjacent non-Agency lands.

Sacred Wind understands that the Commission has already granted a waiver of the stay for the Eastern Agency to all Eligible Telecommunications Carriers ("ETCs"), of which Sacred is one. *See In the Matter of Federal-State Joint Board on Universal Service, Smith Bagley, Inc., Memorandum Opinion and Order, 20 FCC Rcd 7701, ¶ 13 (2005) ("Smith Bagley")*. Accordingly, Sacred Wind asks that the Commission confirm that the waiver of the stay applies to Sacred Wind's customers in the Eastern Agency, as well.

In addition, Sacred Wind also asks that the Commission waive the stay with respect to Sacred Wind customers on those areas of Sacred Wind's service territory that are immediately adjacent to the Eastern Agency so that these customers will be eligible for Enhanced Lifeline and Link Up. Commission Staff has requested that Sacred Wind identify these regions – which

Sacred Wind has done in the attached map – and provide additional information, specific to these regions, which establishes their eligibility for a waiver of the Commission’s stay. That additional information is included below.

As Sacred Wind recognized in its Joint Petition, the Commission looks to a number of factors when determining whether near-reservation lands exhibit characteristics similar to reservation lands, and hence whether a waiver of the stay is warranted. Among the factors deemed by the Commission to be “primary impediments to subscribership on Tribal lands” are “the lack of access to and/or affordability of telecommunications services, the cost of basic service, the cost of intrastate toll service, inadequate telecommunications infrastructure and the cost of line extensions, and the lack of competitive service providers offering alternative technologies.” *Smith Bagley* at ¶ 10. As noted in the Joint Petition, a waiver of the stay for residents of the Eastern Navajo Agency in *Smith Bagley* was justified when:

1. Virtually all of the residents are Navajo Nation tribal members.
2. Telephone penetration rates are far below the national average, and well below the penetration rates on Tribal lands nationwide.
3. Per capita income is significantly below the national average, with a large portion of the residents at or below the federal poverty level.
4. Unemployment rates are high.
5. The cost of basic telephone service is high relative to the income of many of the families on the near-Reservation lands.
6. The population of the near-Reservation lands is sparse, and the great distances separating existing (and to-be-built) outside plant and this population make extending telecommunications facilities (particularly wireline) challenging, if not infeasible.
7. Depressed economic conditions of potential subscribers have made it difficult to justify construction of telecommunications facilities because of customers’ inability to pay for service. *Smith Bagley* at ¶¶ 11-12.

First, from a geographic perspective, as reflected in the attached map, all non-Agency lands for which Sacred Wind seeks waiver of the stay, are immediately adjacent to Eastern Navajo Agency lands for which the stay has been waived. More importantly, these areas are even more sparsely populated and remote than the Eastern Agency, and, Sacred Wind believes largely unserved by existing providers. Consequently, the impediments to subscribership are even greater on those portions of Sacred Wind’s service territory located immediately adjacent to the Eastern Navajo Agency. Based upon data obtained from the U.S. Census Bureau, Navajo Nation websites, an economic development study commissioned by the Navajo Nation, as well as Sacred Wind’s own demographic surveys, Sacred Wind has been able to discern the following:

1. The lands located adjacent to the Eastern Navajo Agency are inhabited almost exclusively by Navajo Nation tribal members.
2. Much of this land is extremely remote, with many residents living great distances from the larger Navajo housing clusters and communities (let alone urban centers), and many miles from state, federal or tribal highways and roads.
3. The 2000 Census placed 53.8 percent of all Navajo families residing on tribal lands in New Mexico below the national poverty level. In addition, the unemployment rate for Navajo families in New Mexico is estimated between 55.5 and 58 percent. There is a direct correlation between the poverty level and unemployment rate within a Chapter and its proximity to a federal or state highway and/or to an urban center off the Reservation where Navajos seek employment. Given this correlation, Sacred Wind believes that the poverty and unemployment levels in non-Agency lands immediately adjacent to the Eastern Navajo Agency are even below that for the rest of Sacred Wind's service territory and the Navajo Nation as a whole.
4. Telephone penetration rates overall for Sacred Wind's service territory is estimated to be approximately 28 percent. As discussed, the lands adjacent to the Eastern Agency are even more sparsely populated and remote than the remainder of Sacred Wind's service territory, and, to Sacred Wind's knowledge, largely unserved by existing providers, including mobile wireless providers. Consequently, Sacred Wind believes that the level of telephone penetration in these lands is even lower than the 28 percent average for Sacred Wind's territory as a whole.
5. Indeed, the remoteness of the lands adjacent to the Eastern Navajo Agency makes the provision of basic telephone service cost-prohibitive, and in many areas, telecommunications facilities are nonexistent. Consequently, conclusions drawn by the Commission in *Smith Bagley* with respect to the cost of basic telephone service relative to the income level of residents, applies even with greater force to the non-Agency lands in Sacred Wind's service area immediately adjacent to the Eastern Navajo Agency.

In sum, the lands immediately adjacent to the Eastern Navajo Agency that Sacred Wind intends to serve have even more pronounced impediments to subscribership than the Eastern Navajo Agency lands found deserving of a waiver in *Smith Bagley*. Extending Enhanced Lifeline and Link Up support to these areas will allow Sacred Wind to provide much-needed telecommunications services at affordable rates to many Navajo peoples who have never had telephone service, or have been unable to afford to maintain it. The availability of Enhanced Lifeline and Link Up support will likely increase penetration rates in these economically depressed regions and, for the first time, enable these low-income residents to have access to necessary emergency, medical, government and other public services. There is no doubt that a waiver of the Commission's stay will serve the public interest.

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Given the high cost of service and economic situation in those portions of Sacred Wind's service territory located immediately adjacent to the Eastern Navajo Agency, special circumstances exist to justify a waiver of the Commission's stay. Enhanced Lifeline and Link Up support is essential to Sacred Wind's goal of bringing affordable high-quality telecommunications services to the residents of these largely unserved areas, and would aid the Commission in advancing the statutory goal of universal service to the Navajo Nation. Accordingly, Sacred Wind respectfully requests a waiver of the Commission's stay of Section 54.400(e) as applied to those portions of Sacred Wind's service territory, identified in the attached map, that are located adjacent to the Eastern Navajo Agency.

Respectfully submitted,

SACRED WIND COMMUNICATIONS, INC.

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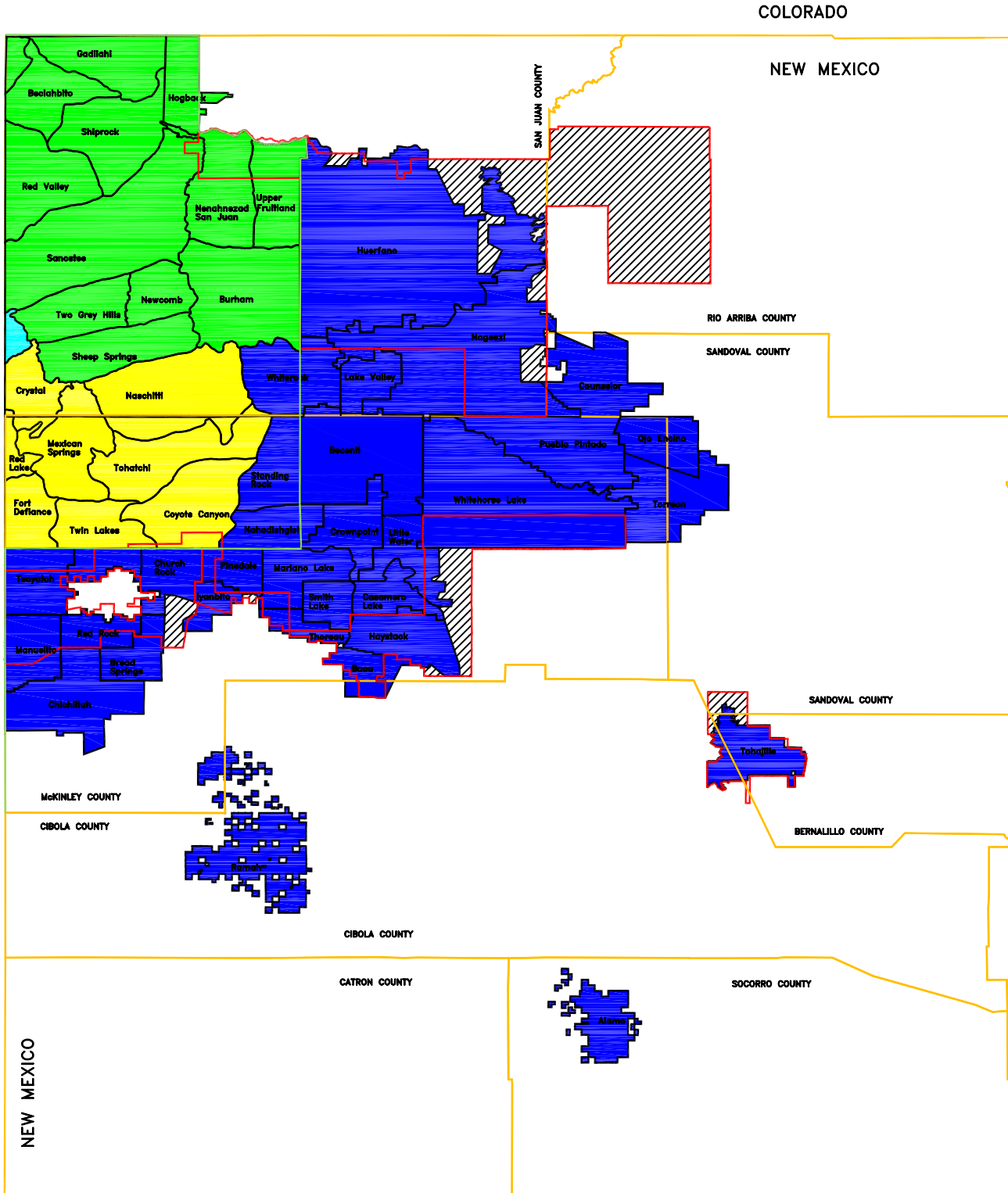
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Attorneys for Sacred Wind Communications, Inc.

Attachment

Sacred Wind Communications Boundary Layout



MAP LEGEND

-  Eastern Navajo Agency
 Fort Defiance Agency
 Shiprock Agency
 Chinle Agency
 Land Inside SWC Boundary and Outside Agency Boundary
 Chapter Boundaries
 County and State Boundary
 Sacred Wind Communications Exchange Boundaries
 Reservation Boundary

CERTIFICATION

I hereby certify, on behalf of Sacred Wind Communications, Inc., that the statements in the foregoing Letter are true and correct to the best of my knowledge, information and belief, and are made in good faith.

By: _____/s/_____
John W. Badal
Sacred Wind Communications, Inc.

Dated: June 20, 2006

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of June 2006, a copy of the foregoing Letter and attachment were served electronically on each of the persons listed on the attached service list.

/s/
Megan H. Troy

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